



Senate Bill No. 1229

Public Act No. 05-95

AN ACT CONCERNING PROMPT PAYMENT PROCEDURES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 4a-71 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(a) Except as provided in section 4a-73, each state department and agency shall pay interest at a rate [of one per cent per month] equal to the monthly effective yield for the Short Term Investment Fund administered by the Treasurer pursuant to sections 3-27a to 3-27f, inclusive, on amounts due on written contracts for public works, personal services, goods and services, equipment and travel, whenever such department or agency fails to make timely payment.

(b) For the purposes of this section, payment shall be timely if: (1) A check or warrant is mailed or delivered on the date specified for the amount specified in the applicable contract documents, or, if no date is specified, within forty-five days of receipt of a properly completed claim or receipt of goods and services, whichever is later; or (2) for any amount that is required to be withheld under state or federal law, a check or warrant is mailed or delivered in the proper amount on the date the amount may be released under the applicable law.

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Approved June 7, 2005